

VALUATION OFFICE

Progress Report for 2009

Annual Progress Report to the

Minister for Finance

(Public Service Management Act 1997)

on the implementation of the

Strategy Statement 2009 – 2011

INTRODUCTION

Mandate

The core business of the Valuation Office is the provision of accurate, up-to-date valuations of commercial and industrial properties to ratepayers and rating authorities as set down by statute. The Office also provides a non-statutory valuation consultancy service to other Government departments, local authorities, health boards and the Revenue Commissioners when the call on resources of statutory work permits.

Mission Statement

Our mission is to deliver a high-quality, impartial, valuation service to our customers, at a competitive cost, through skilled and motivated staff.

Progress Report for 2009

This report, prepared under the provisions of the Public Service Management Act, 1997, examines the progress made in 2009 in achieving the targets set in the Strategy Statement 2008-2010. The Strategy Statement and this Progress Report are structured on the basis of the Balanced Scorecard. The Balanced Scorecard is a performance planning and management tool that allows organisations to supplement traditional output/financial measures with criteria that monitor performance from the perspective of the customer, internal business processes and innovation and learning.

Background to performance in 2009

The principal challenges we faced in 2009 were:

- to maintain and where possible increase the momentum of the revaluation and global valuation programmes under the Valuation Act 2001;
- to secure and maintain an adequate level of staffing to enable the provision of revision and revaluation services in accordance with our Business Plan targets
- to meet our obligations in implementing the Government's decentralisation plan for the Valuation Office announced in Budget 2003.

A detailed report follows, under each of the perspectives in the Balanced Scorecard, of the progress made in 2009 in implementing our Strategy Statement 2008-2010.

FINANCIAL PERSPECTIVE

Objective

- Pursue organisational efficiencies so as to ensure appropriate controls, accountability and value for money.

Initiatives

- Further develop our financial systems with particular emphasis on reporting and cost analysis
- Monitor income and expenditure on a monthly basis
- Further develop an effective fee collection and control system
- Review our fee charging policies in conjunction with our stakeholders
- Incorporate as necessary risk management and internal audit measures in our business/team plan cycle

Targets

- 80% of fees collected within the statutory 30 day time period by the end of 2009
- Develop an effective unit cost measurement system during the period of this Statement

Progress made in 2009

Collection of Fees for Revision

The Office continued to issue invoices to each Local Authority on a monthly basis relating to the outcome of the Revision process for that month. Third-party applications from individuals and organisations, other than Local Authorities, attracted a fee in advance. The invoicing system, initially introduced in 2006, ensures consistency in the receipt of income throughout the year and streamlines the fee-collection process. During 2009 the Office processed 13,656 Revision cases (including 5370 new records added to the Valuation List) and received income of €1,827,000 in respect of Revision cases. In excess of 90% of fees for Revision cases were collected within the statutory 30 day period during 2009.

Development of MIF System

An upgrade to the system with increased functionality was rolled out early in 2009. Costs are allocated to relevant cost centres to facilitate enhanced reporting capability. Despite the increased functionality, however, the system was found to be cumbersome to operate and it did not have the required level of flexibility for a small organisation with a finite staffing level. During 2009 we sought tenders for a more flexible system and, with the assistance of an external accountant; we chose a new software system late in 2009 which is to be implemented in early 2010. All Income and Expenditure is monitored by Management on a monthly basis.

Cost Recovery

Cost recovery was 23% in 2009. This was against an envisaged cost recovery of 16% for the year. The most significant intake of income was in relation to fees for revision services which, at €1,827,000, were 50% greater than the estimated total for the year.

Risk Assessment/Management

During 2009 the Management Committee continued to assess risks to the organisation and identified the relevant mitigation/management measures.

Audit

An independent Chairperson was appointed to the Audit Committee which, following retirement of staff serving on the committee, was reconfigured. The Audit Committee met four times in 2009 and prepared an internal audit programme for 2010.

CUSTOMER PERSPECTIVE

Objective

- Establish and meet customer needs.

Initiatives

- Manage available resources to maximise service delivery
- Incorporate initiatives in business/team plans to deliver on undertakings in SLAs and Ratepayers' Charter.
- Review annual customer surveys by end of each year to ensure accurate customer feedback on delivery of services.
- Ensure regular contact with customers at point of service delivery.
- Provide service information – appeal rights etc- to customers at service delivery.
- Further develop our on-line service for customers
- Provide Public Office clients with material using digital media

Targets

- Maintain an overall customer satisfaction rating in the region of 80% in our annual customer surveys.
- Determine the feasibility of providing on-line services to genealogical customers by the end of 2009

Customer Perspective – Progress in 2009

Quality Customer Service

Work was carried out in 2009 on the development of an updated Quality Customer Service Action Plan. It was circulated to Management in November 2009. A final document will be published in early 2010 with an associated implementation schedule.

Genealogical Services

Due to staffing and resource constraints in 2009 Management took a decision to defer the development of genealogical services and training in favour of statutory obligations.

Customer Satisfaction

A survey of our local authority customers was conducted early in 2009.

Customer satisfaction levels for the years 2005 to 2009 are as follows:

Customer Survey Results 2000 to 2009					
	2005	2006	2007	2008	2009
Revision Timeliness	82	76	77	66	73
Revision Quality	82	81	78	73	74
Appeal Timeliness	79	79	80	80	82
Appeal Quality	78	81	83	78	81
Office VFM	89	86	88	83	84
Office Customer Focus	93	92	83	80	82
Average	84	83	82	77	79

INTERNAL PERSPECTIVE

Objectives

- Maximise output of high quality valuations, on time, within budget
- Deliver the Revaluation programme within a reasonable timeframe
- Maintain the level of statutory valuation service required by customers
- Continue the progress to digitise and preserve archival material

Initiatives

- Continue to refine output/outcome measurement system.
- Use SLAs to manage workflow
- Secure the flexibility necessary, in the deployment of staff, to optimise the use of available resources
- Bring forward proposals for amending legislation
- Maintain contacts with relevant external valuation authorities.
- Review our experience of the full revaluation cycle in the South Dublin County Council area
- Examine the feasibility of re-establishing our market value services to an appropriate level
- Establish Data Unit
- Develop our GIS/GPS capabilities to enhance the delivery of services to our customers

Targets

- Meet revision targets as agreed in SLAs with Local Authorities
- Appeal rate to be maintained at current levels.
- Continue review of Global Valuations as required by statute.
- Proposals submitted for legislative amendments (Valuation Act & Data Protection Act) within the first quarter of 2009
- Develop agreed methodology for performance measurements by the end of 2009
- 30% of archival books and maps digitally scanned by the end 2011

Progress made in 2009

Revision

During 2009 a total of 8286 revision requests were completed. There were 5370 new records (new properties) created bringing the total number of valuations issued to 13,656. The revisions out-turn exceeded the Business Plan target of meeting the targets agreed in the service level agreement with the local authorities. The overall target agreed with the local authorities was to complete 7,679 revision requests

Appeals

In 2009 the Office issued 615 First Appeals from the ongoing revision programme. It also issued 117 Valuation Tribunal appeals, 18% of which involved legal issues. The percentage of Tribunal cases involving legal issues compares to 25% in 2007 and 18% in 2008. The legal issues in dispute before the Tribunal were mainly related to claims for charitable exemption and claims for non-rateable status by agencies such as the HES on the grounds that they were “offices of State” under the provisions of S 15(3) of the Valuation Act.

The Office also dealt with 67 Valuation Tribunal appeals from the revaluation of South County Dublin.

Legislative Review

The Office completed a major review of the Valuation Act, 2001 and submitted proposals for legislative change to the Department of Finance in October 2009. The bulk of the proposals were seen and approved by the Attorney General prior to submission. These proposed amendments which are designed to strengthen the legislation and protect the valuation base, include a proposal to make all State property rateable, thereby replacing the “office of State” exemption provision, which has led to numerous appeals and costly hearings before the Valuation Tribunal and the high Court.

Global Valuations

Section 53 of the Valuation Act makes provision for the valuation of the relevant property of certain public utility undertakings on a global basis.

During 2009, the global valuations of both ESB Networks and Eirgrid were published. Work started on the global valuations of Éircom, BT, Vodafone, O2, Meteor and Irish Rail. All are due to be published in 2010.

Revaluation

Fingal County Council

The valuation order for the Fingal County Council area was signed on 15th March 2007. Draft valuation certificates (5,068) in respect of the majority of relevant properties were issued by the Office in June 2009 while the balance (656) of the draft certificates was issued in September 2009. A total of 2,138 representations were received in relation to proposed valuations. These were considered and dealt with and 5,676 final valuation certificates for all relevant rateable properties in the Fingal County Council rating area were issued in December, 2009. The new valuation list for Fingal County Council was published on the 31 December 2009.

Dún Laoghaire - Rathdown County Council

After the necessary statutory consultation with the Minister for the Environment, Heritage and Local Government and with Dún Laoghaire-Rathdown County Council, I signed a Valuation Order on 27 June 2008, which provides for the revaluation of the rating area of Dún Laoghaire-Rathdown County Council. The Order provides for publication of a new valuation list for Dún Laoghaire-Rathdown on 31 December 2010. This will entail the issuing by mid June 2010 and by 31 December 2010 of draft and final valuation certificates respectively. The exercise will in this instance involve c. 5,500 properties in the Dún Laoghaire-Rathdown area. By December 2009, 3,120 properties had been valued.

Dublin City Council

The preliminary work on the revaluation of Dublin City Council began in Nov 2008. This has involved in the main, the capture of valuation data on the revaluation system for each rateable item in Dublin City Council. By the end of 2009 c. 12,000 rateable items had been captured.

The necessary statutory consultation with Minister for the Environment, Heritage and Local Government and Dublin City Council began in June 2009. While the consultation is ongoing, I hope to sign a valuation order for Dublin City Council in 2010.

Recruitment and Training

In early 2009 the resources of the Revaluation Unit insofar as contracted valuers are concerned reached the permitted maximum of 30. Additional contracted valuers were recruited in 2009, however due to transfers to the revision programme, there were 24 contracted valuers serving in the Revaluation Unit by 31st December, 2009.

An induction and training programme for contracted revaluation valuers was continued throughout the year. Formal assessments were carried out on a 6 monthly basis.

Decentralisation

The Valuation Office has complied with all requirements of the central Decentralisation Implementation Committee to date. The Office was scheduled to relocate to Youghal in mid-2009 and OPW had agreed to purchase a site in Youghal from Cork County Council. However, the Government decided on 8th July 2008 that further expenditure on the acquisition of accommodation for decentralisation would be paused, pending a review by Government of reports from the Decentralisation Implementation Group (DIG) and the Implementation Group of Secretaries General. Until the outcome of the review is available, no further expenditure on the acquisition of decentralisation sites, including the Youghal site, will be undertaken by the Commissioners of Public works.

Performance Measurement

A group was set up to examine the effectiveness of the Performance Measurement system in the office at organisational and individual levels and to make recommendations for any necessary changes. This group agreed initial draft proposals on measurement of outputs and associated fees charged in December 2009. This group will continue to work in 2010 on remaining performance measurement issues.

Optimisation of available resources

Following detailed and protracted negotiations with internal stakeholders, an existing “Facilitation Agreement” of several years standing was set aside and agreement was reached early in 2009 on the necessary changes in demarcation, work practices, flexibility in the deployment of staff resources, etc to facilitate delivery on our statutory mandates within acceptable timeframes. This major breakthrough paved the way for using the resources of the Office more efficiently and effectively to facilitate achievement of our corporate goals.

Archive / Public Office/ Digital Scanning

Historical valuation records kept by the Office constitute a unique and irreplaceable national resource, which needs to be protected and preserved for posterity while being simultaneously accessible to those who need recourse to it.

The archive books for Counties Mayo and Kerry were scanned in 2008 in a pilot scheme under the Archive Preservation project. This Archive Preservation Project is designed to preserve the manuscript valuation record books and associated maps dating from the 1840s and to provide this information digitally to our customers. The scanning is outsourced and the standard was approved by the National Archives. Tenders will issue in 2010 for the scanning of material for Dublin City.

The Office has developed a system to utilise the digital data produced from the scanning of archive valuation books and files. The system facilitates staff to access information without reference to the physical records. It will be rolled out on a county-by-county basis

to coincide with the availability of the digital records. The use of the digital information is in line with the long-term objective of the Office to reduce the handling and use of the physical valuation archive in order to preserve the physical valuation archive resource.

The Office is dedicated to the continuation of this project and, although the pace of the project has slowed down due to current resource constraints, is still committed to the preservation of this valuable archive material. The project will continue albeit at a more measured pace than originally envisaged.

INNOVATION AND LEARNING PERSPECTIVE

Objective

- Continue the development of the Office into a progressive, responsive, learning organisation.

Initiatives

- Training for managers.
- Introduce management development programmes for new and existing management
- Continue staff rotation policy
- Establish a group to examine, research and report on the use of technology to enhance valuation systems

Targets

- Maintain staff rotation consistent with our Business plan
- Annual surveys completed
- Representations, Appeal and Revision listings on line by the end 2009
- Agree management development programme by mid 2009
- Develop and agree comprehensive HR policy by the end of 2009
- Develop Public Office customer services staff through the provision of training opportunities in genealogy

Innovation and Learning Perspective - Progress made in 2009

Staff Rotation

The Office continued with its policy of staff rotation in 2009.

Recruitment

As a result of the Government moratorium on promotion and recruitment, effective from 27 March 2009, no external recruitment campaigns were undertaken in 2009

HR Policy

Work continued on the development of a HR policy in 2009. It is expected that the policy document will be finalised in 2010.

Genealogical Services

Due to staffing and resource constraints in 2009 Management took a decision to defer the development of genealogical services and training in favour of statutory obligations.

Management Development Training

A group was set up to examine training and development for managers in the office. Following consultation with the managers a final training strategy was agreed in December 2009. Work will commence early in 2010 on procurement of a suitable delivery partner.

Digital Mapping Facility

Searching the Valuation list has now been augmented by the addition of a Digital Mapping Module on the On-Line Search Facility. Users can search the valuation list for any rateable property within the functional area of a local authority and view the property on a OSI map and/or Google Map. Users can also search the valuation list by means of a Digital Mapping Module which allows the user to identify and view valuation details by locating properties using an on-line map.

On-Line Case Tracking

The On-Line Case-Tracking module has been further developed to display cases where representations have been received. Work began on the development of a module to allow the Ratepayer to make representations online during the last quarter of 2008. This module is undergoing final testing and will be implemented by the 31st May, 2010.

Work also began on modules to allow ratepayers to make their appeals on-line and Local Authorities to make Revision Listings online during the last quarter of 2008.

Development of these modules have been postponed pending the development of an integrated database and worklist system which will support both the revision and

reevaluation programmes. Work commenced in September 2009 on the integrated database and it is scheduled to replace our current systems by the 31st December, 2010.

Climate Survey

A climate survey for 2008 was carried out early in 2009. The issues arising from this survey are currently under examination and will be addressed by the Management Committee.